DEPARTMENT OF INSURANCE

LEGISLATIVE OFFICE 300 CAPITOL MALL, SUITE 1700 SACRAMENTO, CA 95814 (916) 492-3565 (916) 322-7294 (FAX) www.insurance.ca.gov



September 5, 2008

The Honorable Arnold Schwarzenegger Governor of California State Capitol Building Sacramento, California 95814

RE: SB 1145 (Machado) - SIGN

Dear Governor Schwarzenegger:

I am writing to urge you to **SIGN Senate Bill 1145**. The Department of Insurance supports the changes that SB 1145 will bring about, including allowing the State Compensation Insurance Fund (SCIF) to appoint additional executive staff to provide the expertise needed for the effective and efficient management of SCIF. This bill will also subject SCIF board meetings to the Bagley-Keene Open Meeting Act and the California Public Records Act, with some appropriate exceptions for specified information to maintain SCIF's competitive role in California workers' compensation insurance market.

SB 1145 is necessary to transform SCIF, one of the largest workers' compensation insurance companies in the country, to a modern and efficient operation by allowing it to compete for the executive talent needed to run a large organization that must act as both the insurer of last resort in California and an insurance market competitor. It also will provide for much needed transparency of its operations as a public enterprise.

For these reasons, the CDI urges you to SIGN Senate Bill 1145.

Sincerely

David Link

Deputy Commissioner and Legislative Director

cc: The Honorable Mike Machado

The Honorable Dave Cox

Michael Prosio, Office of the Governor, Chief Deputy Legislative Secretary

Manolo Platin, Governor's Office of the Insurance Advisor

Janet Frank, President, SCIF

Jeanne Cain, Board Chair, SCIF